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TAGS: MARR PREL CI

SUBJECT: CHILEAN MFA EXPRESSES CONCERN ABOUT FALCON-CONDOR

EXERCISE IN PERU

Classified By: Ambassador Craig Kelly for reasons 1.4 (b) and (d).

- 11. Summary: (C) Working level Foreign Ministry officials expressed concern February 14 that participation of U.S. F-16s in bilateral military exercises in Peru would allow "Peru to game a potential conflict with Chile." The seeds for this concern were apparently planted by the Russian military attache in Chile, who told senior Chilean military officers at an Air Force reception February 12 that F-16s would be flying combat simulations with Peru's MIGs and Sukhois. Although the MFA had some details wrong, the news of the Falcon-Condor exercise clearly rang alarm bells in both the MFA and the Chilean Air Force (FACH). End Summary.
- 12. (U) Poloffs met with MFA officials February 14 to discuss the agenda for upcoming Pol-Mil talks to be held in Washington. Acting Director for Special Policies Pedro Suckel, Counselor for National Security and Disarmament Hernan Mena, First Secretaries Pablo Castro and Rodrigo Hume of Special Policies, and First Secretary for North American and the Caribbean Beatriz de la Fuente attended.

ARE YOU GUYS PLANNING SOMETHING?

(C) Departing from discussion of the agenda for upcoming Pol-Mil talks, Mena asked if "four or five National Guard F-16s" would be taking part in the Falcon-Condor bilateral exercise in Peru, and whether those jets would be coming to Chile following their deployment in Peru. Mena also wanted to know what block manufacture the F-16s were. Suckel stated that Chile was concerned the Falcon-Condor exercise served as a mockup of an eventual conflict between Peru and Chile. Poloffs replied that Post had no information about the bilateral exercise being conducted with Peru. However, noting that if U.S. military or reserves were planning to bring F-16s into Chile Post would have a coordinating role, we thought it highly unlikely that a deployment to Chile was in the cards. Poloffs offered to consult with appropriate USG authorities whether there were plans for U.S. aircraft to enter Chile after their engagement in Peru.

PLANTING SEEDS OF DISCORD

¶4. (C) DAO reporting indicates the Russian defense attache, during the February 12 Air Force Academy Anniversary reception, told FACH Generals Luis Ili and Enrique Rosende that U.S. F-16s would be exercising with the Peruvian Air

Force. We suspect the Russian DATT was seeking to create friction between the USAF and FACH, particularly given Russia's failure to interest Chilean military in its hardware, in the face of fairly robust U.S. success in Chile.

SMOOTHING THE WATERS

- 15. (C) On February 14 Poloff informed MFA's Pablo Castro that U.S. F-16s would take part in the Falcon-Condor exercise and subsequent airshow. Poloff said those planes would not subsequently deploy to Chile. He added Post could not provide further information as to the number of aircraft, to which unit the U.S. F-16s were normally attached, or what block they were. The U.S. generally did not discuss bilateral exercise details with third countries. Castro accepted the information without further comment.
- (C) Comment: The FACH and MFA had clearly been communicating about the Russian DATT's "shared intelligence." While concerned about the implications of Peru having the opportunity to exercise against their recently acquired capabilities, MFA officials did not appear hostile or threatened -- but were very interested indeed in knowing exactly what Peru was getting to play against. This reflects the fact that despite high hopes for rapprochement and cooperation, Chile still considers Peru a possible rival, given historic tensions and current disputes about maritime limits. **KELLY**